

Kevin S. Wiley, Sr.  
State Bar No. 21470700  
Kevin S. Wiley, Jr.  
State Bar No. 24029902

**The Wiley Law Group, PLLC**  
325 N. St. Paul Street, Suite 2250  
Dallas, Texas 75201  
Tel. (214) 537-9572  
Fax (972) 449-5717  
Email: [kwiley@wileylawgroup.com](mailto:kwiley@wileylawgroup.com)

**PROPOSED COUNSEL FOR DEBTORS,  
CITY-WIDE COMMUNITY DEVELOPMENT CORP;  
LANCASTER URBAN VILLAGE COMMERCIAL, LLC;  
LANCASTER URBAN VILLAGE RESIDENTIAL, LLC.**

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

<b>IN RE:</b>	§	<b>Chapter 11</b>
	§	
<b>CITY-WIDE COMMUNITY</b>	§	
<b>DEVELOPMENT CORP.;</b>	§	
<b>LANCASTER URBAN VILLAGE RES.</b>	§	
<b>LLC;</b>	§	
<b>LANCASTER URBAN COMMCL.</b>	§	<b>Case No. 21-30847-MVL-11</b>
<b>LLC</b>	§	
	§	
	§	<b>PENDING PROCEDURAL</b>
	§	<b>CONSOLIDATION</b>
<b>CONSOLIDATED DEBTORS</b>	§	

**EMERGENCY MOTION TO AUTHORIZE USE OF CASH**  
**COLLATERAL AND BRIEF IN SUPPORT**

**THE DEBTORS HAVE REQUESTED EMERGENCY CONSIDERATION OF THIS MOTION AND HAVE REQUESTED THAT A "FIRST DAY" HEARING BE HELD ON THIS MOTION AT THE COURT'S EARLIEST CONVENIENCE. IF THE COURT IN FACT SETS THIS MOTION FOR AN EMERGENCY OR AN EXPEDITED "FIRST DAY" HEARING, THEN ONLY ATTENDANCE AT THE HEARING IS NECESSARY TO PRESERVE YOUR RIGHTS AND YOU WILL RECEIVE A SEPARATE NOTICE OF THE DATE AND TIME FOR THE EMERGENCY HEARING.**

**THOSE WHO PLAN TO ACTIVELY PARTICIPATE IN THE HEARING ON THIS MOTION ARE ENCOURAGED TO ATTEND THE HEARING USING THE WEBEX VIDEO LINK,  
[HTTPS://US-COURTS.WEBEX.COM/MEET/LARSON](https://us-courts.webex.com/meet/larson). THOSE WHO**

**SILL NOT SEEK TO INTRODUCE ANY EVIDENCE AT THE HEARING AND WISH TO ATTEND BY TELEPHONIC MODE MAY USE INSTEAD THE WEBEX DIAL-IN AND MEETING ID AT 1-650-479-3207, ACCESS CODE 160 135 6015.**

COME NOW, CITYWIDE COMMUNITY DEVELOPMENT CORPORATION (“CWCDC”; LANCASTER URBAN VILLAGE RESIDENTIAL, LLC (“RESIDENTIAL”); LANCASTER URBAN VILLAGE COMMERCIAL, LLC (“COMMERCIAL”) collectively (“Debtors”) and pursuant to *Banker. R. 9014* files this Emergency Motion to Authorize Use of Cash Collateral and Brief in Support, and respectfully show the Court the following:

1. On April 30, 2021, voluntary petition for relief under Chapter 11 of the Bankruptcy Code was filed by the Debtors, under case No.21-30487-mvl-11 for CWCDC; 21-30489-mvl-11\_for Residential and 21-30488-hdh-11 for commercial.

2. No Trustee is appointed.

3. CWCDC, a resident of Dallas County, is the 100% owner of Residential and Commercial, and Sherman Roberts is President and Chief Executive Officer of each of the Debtors.

4. Each of the cases is substantially related in that CWCDC, Residential, and Commercial are co-developers of Lancaster Urban Village (the “Project”). Each has pledged property, including all accounts and offspring from the Project, in connection with the financing for the Project.

5. On the Petition Date each debtor joined in a motion for joint administration. [Docket# 6].

6. On the date of this hearing, the Court ordered procedural consolidation of all cases. [Docket# 7]. Alternatively, same is pending.

7. This motion seeks use of cash collateral and to provide for adequate protection.

8. The Department of Housing and Urban Development (“HUD”) provided under a note, secured by a blanket first lien deed of trust on the residential portion of the Project, \$14 million in construction financing for this residential portion of the Project. This residential portion represents approximately 57% of the total project. The balance owed is approximately \$12 million, and the total project has been appraised for \$20 million rounded.

9. Legacy Bank, N.A. provided \$900,000 of construction financing in connection with the Lancaster Kiest Office Building project. This is a commercial office building with over 12,000sq. ft. having an estimated value of over \$2.5 million. The project is fully leased.

10. The City of Dallas provided under a note, secured by a second lien deed of trust, additional funding for construction financing of the Project, which on information and belief, has been completely paid. However, in 2019, for no apparent additional consideration, the City of Dallas secured rights to payment of a “fee” for arrangement of the new market tax credits, Tax Increment Financing (“TIF”) and other financial arrangements that supported the original financings pursuant to a subordinated deed of trust in second lien position. However, this disputed note is paid only in a waterfall that assumes the first lien payment is made, along with unsecured obligations owed, if any, by CWCDC to its partner, Catalyst Urban Partners. Thus, the treatment of City as a lien claimant in the Project is done out of abundance of caution. However, CWCDC has other projects where City has a clear cash collateral interest, and where that interest is adequately protected by the replacement liens discussed herein given the substantial equity in said projects held by CWCDC.

11. To the extent that City has a valid lien in the Project, Debtor proposes as adequate protection for the cash collateral replacement liens on all of the Debtor’s projects.

12. These assets are specifically described in the schedules and statements of affairs

as follows:

- a. Lancaster Urban Village;
- b. Lancaster Office Building;
- c. Lancaster-Kiest Crossing
- d. Blossom Gardens Apartments

### **LEGAL ARGUMENT**

13. Under the Code, as reinforced by the Adequate Protection Order, cash collateral can and may be used by the Debtor if the Debtor proposes adequate protection and same is authorized by the Court. In this regard, assuming the City of Dallas prevails on its disputed lien, and with respect to the undisputed liens held by HUD and Legacy, Debtor proposes use of rents and other proceeds from operations of all real estate projects that are cash collateral of said lenders to meet ordinary and necessary business expenses as outlined in the attached profit and loss statements and budgets attached as Exhibits AI-AV of the Plan filed of even date herewith.

WHEREFORE, PREMISES CONSIDERED, the Debtors respectfully request that this Court enter an Order Authorizing Use of Cash Collateral and that the Debtors be granted other and further relief as is just and proper.

Respectfully submitted,

WILEY LAW GROUP, PLLC

/s/ KEVIN S. WILEY, SR.

Kevin S. Wiley, Sr.

Texas Bar No. 21470700

325 N. St. Paul, Ste. 2250

Dallas, Texas 75201

Telephone: (214) 537-9572

Facsimile: (972) 449-5717

[Kwiley@wileylawgroup.com](mailto:Kwiley@wileylawgroup.com)

**COUNSEL FOR DEBTORS**  
CITYWIDE COMMUNITY  
DEVELOPMENT  
CORPORATION; LANCASTER  
URBAN VILLETTE RESIDENTIAL,  
LLC; LANCASTER URBAN  
VILLAGE COMMERCIAL, LLC.

**CERTIFICATE OF CONFERENCE**

The undersigned hereby certifies that he has conferred with the United States Trustee regarding the relief requested in the foregoing Joint Motion for Joint Administration. The United States Trustee has reserved objection to after review of the schedules and statements of affairs.

/s/ Kevin S. Wiley, Sr.  
Kevin S. Wiley, Sr

**CERTIFICATE OF SERVICE**

I the undersigned certify that a true and correct copy of the foregoing Joint Motion for Joint Administration has been served upon (a) the United States Trustee, (b) the 20 largest unsecured creditors, (c) all secured creditors, (d) all applicable government agencies to the extent required by the Bankruptcy Rules and the Local Rules of this Court and (e) all parties in interest that have filed notices requesting receipt of service this the 5<sup>th</sup> day of May 2021.

/s/ Kevin S. Wiley, Sr.  
Kevin S. Wiley, Sr